

STATE OF SOUTH CAROLINA

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: _____ - _____ - _____

Application of

FTC Communications, Inc., d/b/a Farmers Long
Distance (FLD), Farmers Telephone Cooperative,
Inc. (FTC), and FTC Diversified Services, Inc. (FTC-D)For Approval of Transfer of Customer Base and for
Expansion of Authority of FTC-D to Include the
Authority to Provide Resold Interexchange
Telecommunications Services in South Carolina, and for
Approval of FTC's Interexchange Telecommunications
Tariff Adopting FLD's Rates, Terms and Conditions

(Please type or print)

Submitted by: Margaret M. Fox

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition☐ Request for item to be placed on Commission's Agenda
expeditiously☐ Other:

INDUSTRY (Check one)

NATURE OF ACTION (Check all that apply)

- ☐ Electric
☐ Electric/Gas
☐ Electric/Telecommunications
☐ Electric/Water
☐ Electric/Water/Telecom.
☐ Electric/Water/Sewer
☐ Gas
☐ Railroad
☐ Sewer
☒ Telecommunications
☐ Transportation
☐ Water
☐ Water/Sewer
☐ Administrative Matter
☐ Other: _____

- ☐ Affidavit
☐ Agreement
☐ Answer
☐ Appellate Review
☒ Application
☐ Brief
☐ Certificate
☐ Comments
☐ Complaint
☐ Consent Order
☐ Discovery
☐ Exhibit
☐ Expedited Consideration
☐ Interconnection Agreement
☐ Interconnection Amendment
☐ Late-Filed Exhibit
☐ Letter
☐ Memorandum
☐ Motion
☐ Objection
☐ Petition
☐ Petition for Reconsideration
☐ Petition for Rulemaking
☐ Petition for Rule to Show Cause
☐ Petition to Intervene
☐ Petition to Intervene Out of Time
☐ Prefiled Testimony
☐ Promotion
☐ Proposed Order
☐ Protest
☐ Publisher's Affidavit
☐ Report
☐ Request
☐ Request for Certification
☐ Request for Investigation
☐ Resale Agreement
☐ Resale Amendment
☐ Reservation Letter
☐ Response
☐ Response to Discovery
☐ Return to Petition
☐ Stipulation
☐ Subpoena
☐ Tariff
☐ Other: _____

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Mr. Charles L. A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Application of FTC Communications, Inc., d/b/a Farmers Long Distance (FLD), Farmers Telephone Cooperative, Inc. (FTC), and FTC Diversified Services, Inc. (FTC-D)

For Approval of Transfer of Customer Base and for Expansion of Authority of FTC-D to Include the Authority to Provide Resold Interexchange Telecommunications Services in South Carolina, and for Approval of FTC's Interexchange Telecommunications Tariff Adopting FLD's Rates, Terms and Conditions

Dear Mr. Terreni:

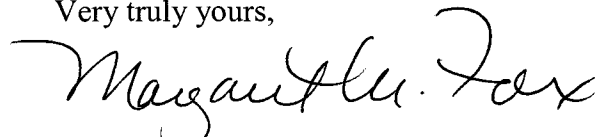
Enclosed for filing on behalf of FTC Communications, Inc., d/b/a Farmers Long Distance (FLD), Farmers Telephone Cooperative, Inc. (FTC), and FTC Diversified Services, Inc. (FTC-D), please find an original and two (2) copies of an Application for Approval in the above-referenced matter.

Please note that the attached document is an exact duplicate, with the exception of the form of the signature, of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

Please clock in a copy of this Application and return it with our courier.

Thank you for your assistance.

Very truly yours,



Margaret M. Fox

MMF/rwm
Enclosures

cc: Florence P. Belser, Esquire

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
IN RE:

Application of)	
)	
FTC Communications, Inc., d/b/a Farmers Long)	
Distance (FLD), Farmers Telephone Cooperative,)	Docket No. _____
Inc. (FTC), and FTC Diversified Services, Inc. (FTC-D))	
)	
For Approval of Transfer of Customer Base and for)	
Expansion of Authority of FTC-D to Include the)	
Authority to Provide Resold Interexchange)	
Telecommunications Services in South Carolina, and for)	
Approval of FTC's Interexchange Telecommunications)	
Tariff Adopting FLD's Rates, Terms and Conditions)	
_____)	

APPLICATION FOR APPROVAL OF TRANSFER OF CUSTOMER BASE AND FOR
EXPANSION OF AUTHORITY AND APPROVAL OF TARIFFS

FTC Communications, Inc., d/b/a Farmers Long Distance ("FLD"), Farmers Telephone Cooperative, Inc. ("FTC"), and FTC Diversified Services, Inc. ("FTC-D") (together, the "Applicants"), by undersigned counsel and pursuant to South Carolina Code Annotated Sections 58-9-280 and 58-9-310, and the Rules and Regulations of the South Carolina Public Service Commission (the "Commission"), respectfully petition the Commission for authority (i) to transfer to FTC all of FLD's long distance customers, both residential and business, who are served by FLD in the local exchange service area of FTC; (ii) to transfer to FTC-D all of FLD's long distance customers, both residential and business, who are served by FLD in the local exchange service area of FTC-D; (iii) to expand FTC-D's certificate of public convenience and necessity to include the authority to provide resold interexchange telecommunications services in

the State of South Carolina; and (iv) to approve FTC's interexchange services tariff by which it will adopt the rates, terms, and conditions for resold interexchange telecommunications services contained in FLD's current tariffs. The Applicants also request, to the extent required, that the Commission waive any applicable anti-slamming regulations. Finally, the Applicants request that the Commission grant the relief requested herein on an expedited basis. In support of the Joint Application, the Applicants respectfully show as follows:

I. THE PARTIES

A. FTC Communications, Inc., d/b/a Farmers Long Distance.

FLD is a South Carolina corporation. FLD is a wholly owned subsidiary of FTC Management Group, Inc., which is a wholly owned subsidiary of Farmers Telephone Cooperative, Inc. FLD was originally incorporated as Farmers Long Distance, Inc. in 1990, and its Articles of Incorporation were amended in 1997 to reflect its new name of FTC Communications, Inc. FLD was authorized to operate as a reseller of interexchange telecommunications services in the State of South Carolina by Order No. 90-1146, issued by the Commission in Docket No. 90-539-C on December 4, 1990.

B. Farmers Telephone Cooperative, Inc.

FTC is a telephone cooperative duly incorporated and existing under the laws of the State of South Carolina. FTC is an incumbent local exchange telephone company, and has been providing telecommunications services in rural areas of South Carolina for over 50 years.

C. FTC Diversified Services, Inc.

Like FLD, FTC-D is a wholly-owned subsidiary of FTC Management Group, Inc., which is in turn a wholly-owned subsidiary of FTC. FTC-D is incorporated in the State of South Carolina. FTC-D was authorized to provide local exchange and exchange access telecommunications services in certain areas of South Carolina by Commission Order No. 98-927, dated November

20, 1998, in Docket No. 98-489-C (which transferred to FTC-D the certificate that had been granted to FTC Communications, Inc., by Order No. 98-463, dated June 19, 1998, in Docket No. 98-127-C.) FTC-D was subsequently granted flexible regulation of its local exchange services, by Order No. 98-840 in Docket No. 98-127-C (November 29, 1999), and an expansion of its authority to serve additional areas by Order No. 2001-255 in Docket No. 2000-567-C (March 21, 2001).

II. DESIGNATED CONTACTS

Any questions, notices, orders, correspondence or communications to the Parties concerning this Application should be directed to:

M. John Bowen, Jr.
Margaret M. Fox
McNair Law Firm, P.A.
Post Office Box 11390
Columbia, South Carolina 29211
Telephone: (803) 799-9800
Facsimile: (803) 753-3219
Email: jbowen@mcnair.net; pfox@mcnair.net

The company contact for this Application is as follows:

F. Bradley Erwin
Chief Executive Officer
Farmers Telephone Cooperative, Inc.
Post Office Box 588
1101 East Main Street
Kingstree, South Carolina 29556
Telephone: (843) 382-2333
Facsimile: (843) 382-3909
Email: erwinb@mail.ftc.org

III. DESCRIPTION OF PROPOSED TRANSFER

The Applicants propose to transfer the customer base of FLD to the respective local exchange carriers (FTC and FTC-D). Each customer will be transferred to the local exchange

carrier whose service area includes the customer's premises. The service areas of FTC and FTC-D do not overlap. FLD will continue to provide certain interexchange telecommunications services. FLD proposes to transfer its retail long distance customers to the respective local exchange carriers who currently serve them in order to achieve administrative, marketing, customer service, and billing efficiencies. This change will allow the affiliated companies to continue to provide an array of high quality services to consumers in South Carolina. Furthermore, the change will allow customers to receive their retail long distance and local services from a single provider, which will lead to less customer confusion.

IV. NOTICE TO CUSTOMERS AND REQUEST FOR WAIVER OF APPLICABLE ANTI-SLAMMING REGULATIONS

FLD will provide notice to affected customers prior to transferring the customers to FTC and FTC-D. A copy of the proposed notice is attached hereto as "Exhibit A." The notice will inform customers of the transfer and of their right to switch to the long distance carrier of their choice. Customers will be informed that, should they choose another carrier, they should do so by a specific date in order to ensure a seamless transfer of service to the new carrier. Customers will be informed that a transfer fee may be incurred if they choose to switch to a carrier other than FTC or FTC-D (whichever of the two carriers serves the customer's area). The notice will clearly state that, if the customer consents to the change of carrier to FTC or FTC-D, no customer action is required for the transfer to occur, and that the customer's current plan, rates, features, terms and conditions of service will transfer to either FTC or FTC-D. The notice will list a toll-free customer service number in the event customers have any questions regarding the transfer.

FLD intends to provide the affected customers with the notice, as shown in Exhibit A, at least thirty (30) days prior to implementation of the transfer. Although Applicants have

attempted to include in the notice letter all relevant state and federal customer notification and consent requirements, Applicants respectfully request, to the extent necessary, that the Commission grant a waiver of any applicable anti-slamming regulations that may possibly be violated by the transfer being made without separate and specific authorization from each affected customer.

V. REQUEST FOR EXPANDED AUTHORITY FOR FTC-D

FTC-D was initially authorized to provide local exchange and exchange access telecommunications services in certain areas of South Carolina by Commission Order No. 98-927, dated November 20, 1998, in Docket No. 98-489-C. FTC-D seeks an expansion of its existing authority in order to provide resold interexchange telecommunications services within the State of South Carolina.

FTC-D will adhere to all applicable rules, regulations and orders of the Public Service Commission of South Carolina. FTC-D will participate in the support of universally available telephone services at affordable rates to the extent required by the Commission, and will provide services which meet the service standards of the Commission.

As previously demonstrated to this Commission in Docket Nos. 98-127-C, 98-489-C, and 2000-567-C, and as evidenced by FTC-D's history of providing high-quality telecommunications services within the State of South Carolina, FTC-D has the technical, managerial, and financial resources and capability to provide the services for which authority is requested.

Approval of FTC-D's application will serve the public interest by providing consumers with a greater choice of long distance services, and with the ability to obtain both local and long distance services from a single provider.

With respect to initial tariffs, FTC-D will adopt the current and effective tariffs of FLD in the State of South Carolina upon certification and prior to the commencement of service in its own name. A copy of the proposed tariff for interexchange telecommunications services to be offered by FTC-D is attached hereto as "Exhibit B." A final tariff will be filed with the Commission upon approval of this Application.

Pursuant to the Commission's Order No. 95-658 (issued March 20, 1995), FTC-D makes the following affirmation:

As a telephone utility under the regulation of the Public Service Commission of South Carolina, Carrier does hereby assert and affirm that as a reseller of intrastate telecommunications service, Carrier will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, Carrier will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. Carrier understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the State of South Carolina.

VI. REQUEST FOR APPROVAL OF ADOPTION OF FLD RATES, TERMS, AND CONDITIONS BY FTC

FTC has the authority to provide local and interexchange telecommunications service in South Carolina, and is currently providing such services. FTC requests that the Commission approve FTC's proposed tariff by which FTC will adopt the rates, terms and conditions of service currently offered by FLD. The proposed tariff for interexchange telecommunications services to be offered by FTC is attached hereto as "Exhibit C." A final tariff will be filed with the Commission upon approval of this Application.

FTC proposes to offer its in-region interexchange services on a resold basis only, *i.e.*, FTC will not use interexchange switching or transmission facilities or capabilities of its own in

the provision of these services. Therefore, the Federal Communications Commission's ("FCC") requirement to provide interexchange services through a separate affiliate does not apply. See 47 C.F.R. § 64.1903(b). FTC will provide the services through a separate corporate division of FTC, i.e., FTC will maintain separate accounts for its long distance services, as required by the FCC.

VII. PUBLIC INTEREST CONSIDERATIONS AND REQUEST FOR EXPEDITED REVIEW

The transfer will be transparent to the affected customers and will not change the manner or quality of service that FLD's current interexchange customers enjoy. Specifically, customers will continue to receive the high quality, affordable telecommunications services that they presently receive. FTC and FTC-D will adopt the rates, terms and conditions of FLD's intrastate interexchange tariffs, thus providing a seamless transition for existing customers of FLD.

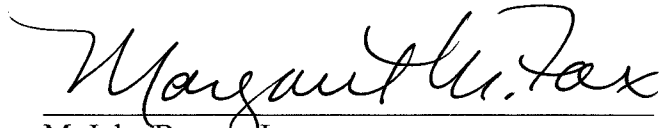
The public interest will be served by the transfer of FLD's long distance customers to FTC and FTC-D because FTC and FTC-D are experienced and qualified carriers that have been providing high-quality local telecommunications services in South Carolina for many years. Moreover, approval of the transfer will allow customers of FTC and FTC-D to obtain an array of services and products from a single retail provider. The proposed transfer will promote competition in South Carolina by enhancing FTC's and FTC-D's ability to take advantage of administrative, marketing, customer service, and billing efficiencies that will support expanded services and more competitive rates.

To that end, the Parties respectfully request that the Commission expedite the processing of this petition and grant the requested authority as soon as possible. Attached as "Exhibit D" to this Application is the verified prefiled Direct Testimony of Ronald K. Nesmith.

VIII. CONCLUSION

For the foregoing reasons, Applicants respectfully request that the Commission grant the request for expanded authority for FTC-D, approve FTC's proposed tariff for interexchange telecommunications services, and approve the transfer of FLD's customer base to FTC and FTC-D, as described herein. Further, Applicants respectfully request that this authorization be granted on an expedited basis to allow them to undertake the transfer of FLD's customer base as soon as possible, consistent with the public interest.

Respectfully submitted,



M. John Bowen, Jr.

Margaret M. Fox

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Attorneys for FTC Communications, Inc., d/b/a

Farmers Long Distance, Farmers Telephone

Cooperative, Inc., and FTC Diversified Services, Inc.

Columbia, South Carolina

September 13, 2007

EXHIBIT A

PROPOSED CUSTOMER NOTICE LETTER

IMPORTANT NOTICE REGARDING YOUR FARMERS LONG DISTANCE SERVICE

<Date>

<Long Distance Account Number>

<Name>

<Address1>

<Address2>

Dear <Name>:

We are contacting you about an upcoming change to your long distance service. Your current long distance service provider is Farmers Long Distance. Your long distance service is billed through your local service provider, <Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.> These companies are affiliated, and they have recently determined that it would be more efficient and beneficial to customers for the local and long distance service to be provided through a single provider, in this case <Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.>.

As a result, your current long distance provider will transfer your long distance service to <Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.>. The transfer of your services will begin on or about December 1, 2007, and should conclude on or about December 31, 2007. After the transfer is complete, <Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.> will replace Farmers Long Distance as the long distance provider listed on your invoice. These changes are subject to obtaining all required regulatory approvals, and the filing of all appropriate documents with state agencies.

Please be assured that this transition will have no impact on your services whatsoever. You will continue to receive uninterrupted service at the same high level of quality you have come to expect. You will also retain your current plan, rates, features, terms and conditions of service, and your current customer service contacts. You will not incur any charges related to the transfer of service to <Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.>, and no action is required from you regarding this transfer.

All customers have a choice in carriers for their long distance service. If you choose a different carrier for your long distance service, you may incur a fee for transferring your service. A list of most long distance service providers is typically available in your local telephone directory. If you choose a carrier other than <Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.>, you should complete the change prior to December 1, 2007, in order to ensure a seamless transfer.

Under Federal Communications Commission rules, any restrictions or “freezes” you may have placed on your account to block changes to your preferred long distance carrier will be removed as part of the transfer process. If you wish to reinstate such restrictions, or if you have any questions about the transfer, need any assistance, or if you have any complaints before, during, or after this transfer process, please contact customer service at 1-888-218-5050.

Thank you for your business, and we look forward to continuing to provide you with reliable, innovative products and services for years to come.

Sincerely,

Farmers Long Distance

<Farmers Telephone Cooperative, Inc.> OR <FTC Diversified Services, Inc.>

EXHIBIT B

PROPOSED TARIFF OF FTC DIVERSIFIED SERVICES, INC.

TITLE PAGE

SOUTH CAROLINA INTEREXCHANGE SERVICES TARIFF

OF

FTC DIVERSIFIED SERVICES, INC.

This illustrative tariff, filed with the
South Carolina Public Service Commission,
contains the rates, terms, and conditions applicable to
Interexchange Services within the State of South Carolina
offered by FTC Diversified Services, Inc.

All material contained herein is new.

Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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Interexchange Telecommunications Services Tariff

EXPLANATION OF SYMBOLS

- (C) - to signify changed regulations
- (D) - to signify discontinued rate of regulation
- (I) - to signify increased rate
- (M) - to signify text relocated but not changed
- (N) - to signify new rate or regulation
- (R) - to signify reduced rate
- (S) - to signify reissued matter
- (T) - to signify a change in text, but no change in rate or regulation

Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

Original Page 1
EFFECTIVE:

1. General

1.1 Application of Tariff

1.1.A This tariff contains the regulations and rates applicable to the provision of intrastate alternate operator telecommunications services provided by Carrier for telecommunications between points within the State of South Carolina. Alternate operator services are furnished subject to the availability of facilities and are subject to the terms and conditions of this tariff. The alternate operator services of Carrier are not part of a joint undertaking with any other entity providing telecommunications channels, facilities or services, but do involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers. The rates and regulations contained in this tariff apply only to the alternate operator services furnished by Carrier and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a LEC or other common carrier for use in assessing the services of Carrier. The subscriber is entitled to limit the use of Carrier's services by users at the subscriber's facilities, and may use other common carriers in addition to or in lieu of Carrier for alternate operator services, including without limitation offering users the ability to access the carrier of the user's own choice.

1.1.B This tariff applies to intrastate Message Telecommunications Service (MTS) furnished or made available by Farmers Long Distance, Inc, hereinafter referred to as the "Company". MTS provides telecommunications beyond the local calling areas of the calling station. Charges filed with this tariff cover the services furnished between a calling and a called station. For purposes of this Tariff, a "Station" is defined as any device by means of which MTS calls can be placed and/or received.

1.2 Regulations

1.2.1 Scope

- (A) MTS consists of the furnishings of facilities for telecommunications between stations in different local calling areas in accordance with the regulations and system of charges specified in this tariff.
- (B) The Company does not undertake to transmit messages but to furnish the transmission path which enables the customer to transmit and receive messages.

Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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1. General (Cont'd)

1.2 Regulations (Cont'd)

1.2.1 Scope (Cont'd)

- (C) Service will be offered only at selected exchanges with service commencing at selected exchanges and selected effective dates as determined by the Company.
- (D) The Company reserves the right to discontinue service at any exchange or in its entirety, provided that any unused portion of any applicable advance payments or deposits are returned to the customers.
- (E) The service may not be available to party line or public or semi-public telephone users.
- (F) At times, availability of service may be temporarily limited due to facility shortages caused by emergency conditions.

1.2.2 Application for Service

- (A) The Company may require a customer to sign an application form furnished by the Company and to establish credit as provided in these Regulations, as a condition precedent to the initial establishment of such service. Company's acceptance of an order for service to be provided to an applicant whose credit has not been duly established may be subject to the provisions described in Section 1.2.3 following.

Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.2 Application for Service (Cont'd)

- (B) The Company may also require a signed authorization from a customer for additions to or changes in the existing service for such customer.
- (C) An application for service cancelled by the customer or the Company prior to the establishment of the service applied for is subject to the provisions of Section 1.2.3.

1.2.3 Deposits

Applicants for service may be required to establish credit. Any applicant whose credit has not been duly established may be required to make a deposit at the time of application to be held as a guarantee of payment of charges. In addition, an existing customer may be required to make a deposit or increase a deposit currently held.

- (A) A deposit will be returned

when an application for service has been cancelled prior to the establishment of service. (The deposit will be applied to any charges applicable in accordance with the tariff and the excess portion of the deposit will be returned.)

. . . upon the discontinuance of service. (The Company will refund the customer's deposit or the balance in excess of unpaid bills for the service.)

. . . at the end of twelve (12) months of satisfactory credit history or when otherwise required by regulatory authority.

- (B) The fact that a deposit has been made in no way relieves the customer from complying with the regulations with respect to the prompt payment of bills on presentation.

Interexchange Telecommunications Services Tariff

FTC DIVERSIFIED SERVICES INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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EFFECTIVE:

1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.4 Interruption of Service

It shall be the obligation of the customer to notify the Company of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission of the customer nor located in customer provided wiring or equipment.

1.2.5 Liability

- (A) The customer has exclusive control of the communications transmitted over the facilities furnished by the Company, and of the uses made of the facilities. The Company assumes no liability therefore except as specifically provided below.
- (B) Because of the possibility of unavoidable errors incidental to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company are subject to the terms, conditions and limitations specified in (C) and (D) following.
- (C) The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, or failures or defects in facilities furnished by the company, occurring in the course of furnishing service or other facilities shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay or error or defect in transmission, or failure or defect in facilities occurs.
- (D) The customer indemnifies and holds the Company harmless against claims for libel, slander, or infringement of copyright arising in connection with the material transmitted over its facilities; against claims for infringement of patents arising from, combining with, or used in connection with, facilities of the Company, apparatus and systems of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by the Company.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.5 Liability (Cont'd)

- (E) Carrier hereby asserts and affirms that as a reseller of intrastate telecommunications service, it will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, it will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. It understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

1.2.6 Use

(A) Use of Service

The Service is provided for use by the customer and may be used by others when so authorized by the customer providing that such use shall be subject to the provisions of this Tariff.

(B) Abuse and Fraudulent Use

The Service is furnished subject to the conditions that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of service includes:

- (1) The use of profane or obscene language.
- (2) The use of service or facilities of the Company to transmit a message, locate a person, or give or obtain information without payment of the charge applicable for service.
- (3) The obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain MTS, by rearranging, tampering with, or making connection with any facilities of the Company or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, in whole or in part, of the regular charges for such service.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.6 Use (Cont'd)

(B) Abuse and Fraudulent Use (Cont'd)

(4) The use of service or facilities of the Company for a call or calls, anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment or harass another.

(5) The use of the service in such a manner as to interfere unreasonably with the use of the service by one or more other customers.

(C) Unlawful Purpose

The service is furnished subject to the condition that it will not be used for an unlawful purpose.

1.2.7 Obligation of the Customer

The customer shall establish his/her identity in the course of any communication as often as may be necessary. The customer shall be solely responsible for establishing the identity of the person or persons with whom connection is made at the called location(s).

1.2.8 Billing of Charges

(A) Any applicable flat rate charges are normally billed in advance. Usage charges are billed in arrears.

(B) The Company may make arrangement for billing and collection to be performed on its behalf by another agent. Such an arrangement in no way lessens the customer's responsibility for prompt payment of billing for services rendered.

(C) Collect, Calling Card and Third Party Calls charges will be included on the user's or called or third party's regular home or business telephone bill pursuant to billing and collection agreements established by Carrier or its intermediary with the applicable telephone company.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.9 Payment Arrangements

The customer is responsible for payment of all charges for service furnished, and payment is due on receipt of the bill.

(A) The customer shall submit payment for all charges direct to the Company or to any Agency authorized by the Company to receive such payment.

(B) If the bill is not paid by the past due date shown on the bill, the account will be considered delinquent.

(C) A delinquent account may subject the customer's service to disconnection.

(D) Failure to receive a bill will not exempt a customer from prompt payment of any sum or sums due the Company.

1.2.10 Late payment and Returned Check Charges

The carrier may establish late payment and/or returned check charges as it deems appropriate.

1.2.11 Termination of Service for Cause

Upon nonpayment of any sum due the Company, or upon a violation of any of the conditions governing the furnishing of service, the Company without incurring any liability, forthwith discontinue the furnishing of service.

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2. Initial Service Offering

2.1 Classes of Service Generally Offered

Classes of MTS service generally offered by interexchange carriers are one or more of the following:

Dial Station-to-Station
Customer Dialed Calling Card
Operator Station-to-Station
Person-to-Person

2.2 Classes of Service

2.2.1 Description

A. Dial Station-to-Station

The term "Dial Station-to-Station" applies only to sent-paid, Station-to-Station dial type communication. Dial Station-to-Station service will not be available to Public or Semi-Public Coin Telephones.

Dial type communication denotes a call dialed and completed by the customer without the assistance of an operator and billed to the originating number. The services of an operator will not be used in connection with completing a call, or in furnishing any information or assistance relating to billing or charges for such call, except that, if available, an operator may without additional charge:

- (a) Re-establish a call which has been pre-maturely interrupted after the called number has been reached.

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2. Initial Service Offering (Cont'd)

2.2.1 Description (Cont'd)

- (b) Reach the called telephone number when facilities are temporarily not available for customer dial completion.
- (c) Record the originating telephone number if the service is offered to party line customers or if required for special billing arrangements.
- (d) Place a call for calling parties who identify themselves as being handicapped and unable to dial call because of the handicap.

B. Operator Station-to-Station

Operator Station-to-Station rates apply to Station-to-Station telephone calls where the call completion or a request for any information or assistance relating to billing or charges for such call requires the assistance of an operator, except for operator services as described in the preceeding Paragraph A.

C. Person - to - Person

Person-to-Person rates apply to calls in which the call originator specifies to the operator a particular person to be reached or otherwise a particular office, department or station to be reached.

D. Customer Dialed Calling Card

Customer Dialed Calling Card rates apply to Station-to-Station calls in which the call originator dials and completes the call (to be billed to a Calling Card) without the assistance of an operator, except that an operator may record the Calling Card number, or where the operator is requested to reach the called number or must reach the number where facilities are not available for automatic dial completion.

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2. Initial Service Offering (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.2 Rate Structure

The message charge is a function of the duration of the call (in minutes), the distance of the call (in airline miles), the day and time of day that the call is originated. Message charges and any applicable operator service charges for operator station, Person-to-Person, and Calling Card Classes of Service are found in section 3.14

2.2.3 Determination of Minutes

- (A) On customer Dial Station-to-Station calls, chargeable time begins when connection is established between the calling station and the called station.
- (B) On Person-to-Person calls, chargeable time begins when connection is established between the calling person and the particular person or station specified, or an agreed alternative.
- (C) Chargeable time ends when the calling station "hangs up" thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the telecommunications network or by the operator.
- (D) Chargeable times does not include time lost because of faults or defects in the service.
- (E) Rates are stated in terms of initial and additional minutes.
 - (1) All initial period rates given in the rate table in 2.3.5 following are for connections of one minute or any fraction thereof.
 - (2) All additional period rates given in the table in 2.3.5 following are for each additional minute or any fraction thereof that the connection continues beyond the initial period.

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2. Initial Service Offering (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.4 Determination of Rate Band Mileage

- (A) MTS rates between points (cities, towns or communities) within the State of South Carolina are based on the airline distance between rate centers. In general, each exchange is designated as a rate center.
- (B) Airline (rate band) mileages between rate centers are determined by using vertical and horizontal grid lines which have been established across the United States. A four-digit vertical (V) and a four-digit horizontal (H) coordinate is assigned for each rate center based on its latitude and longitude location on a map. The distance between any two rate centers is the airline mileage computed between their respective V & H locations, with fractional miles being rounded up to the next mile to determine the applicable mileage. The rates applicable to mileage bands are provided in the table in 2.2.5.
- (C) V & H coordinates for rate centers in South Carolina and the formula for determining airline mileage between two or more rate centers may be found in Section A11.5 of AT&T's General Services Tariff as approved by the South Carolina Public Service Commission.

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2. Initial Service Offering (Cont'd)

2.2.5 Rate Table - Effective

Rates shown in the following table are applicable to intrastate long distance calling between all points within the state of South Carolina.

DAY		
Rate Mileage	Initial Minute	Each Additional Minute
0 - 10	.1394	.1208
11 - 16	.1580	.1301
17 - 22	.1673	.1673
23 - 30	.2045	.2045
31 - 55	.2324	.2324
56 - 70	.2603	.2603
71 - 124	.2789	.2789
125 +	.2882	.2882
EVENING		
0 - 10	.1234	.1234
11 - 16	.1329	.1329
17 - 22	.1519	.1519
23 - 30	.1614	.1614
31 - 55	.1804	.1804
56 - 70	.1994	.1994
71 - 124	.2089	.2089
125 +	.2184	.2184
NIGHT/WEEKEND		
0 - 10	.1139	.1139
11 - 16	.1234	.1234
17 - 22	.1234	.1234
23 - 30	.1424	.1424
31 - 55	.1614	.1614
56 - 70	.1804	.1804
71 - 124	.1899	.1899
125 +	.1994	.1994

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2. Initial Service Offerings (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.6 Discounts

(A) The day and time of day at the originating location when the connection is established determines the level of the Time of Day, Day of Week and/or Holiday Discounts which applies. The applicable discount period can be determined from the table below:

	MON	TUES	WED	THURS	FRI	SAT	SUN
8:00 AM TO 5:00 ¹ PM	Day Rate Period						
5:00 PM TO 11:00 ¹ PM	Evening Rate Period						Eve.
11:00 PM TO 8:00 ¹ AM	Night & Weekend Rate Period						

Note 1: To, but not including

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2. Initial Service Offering (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.6 Discounts (Cont'd)

- (B) Time of Day, Day of Week, and Holiday discounts, when applicable, apply to the initial and additional minutes for all calls.
 - (C) When a discount results in a fractional charge, the amount will be rounded down to the next lower cent.
 - (D) The Evening rate applies to the holidays listed below unless a lower rate period is in effect:

- New Year's Day	January 1	***
- Independence Day	July 4	***
- Labor Day	---	
- Thanksgiving Day	---	
- Christmas Day	December 25	***
 - (E) If a call begins in one discount period and ends in another, the initial period discount is the discount in effect at the time the call is established. The charge for each additional minute of usage is the additional minute billing rate for the rate period in which the beginning of each additional minute occurs.
- *** When these holidays are celebrated on a day other than the dates shown, the Evening rate applies to the resulting legal holidays unless a lower rate period is in effect.

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3. Other Offerings

3.1 Promotional Offerings

The carrier may from time to time, at selected locations, engage in special promotional service offerings designed to attract new customers or to increase existing customers usage of the carrier's service. Such offerings may be in the form of direct discounts or in the form of bulk packaging plans, for example Optional Calling Plans.

3.2 Future MTS Offerings

Dependent upon future market conditions and other circumstances, the carrier may at a later date offer other classes of service in addition to the Dial Station-to-Station service described in 2.2 above. Rates and charges for such future services will be determined by market conditions at that time.

3.3 Other Future Offerings

Dependent upon future market conditions and other circumstances, the carrier may at a later date offer other types of services in addition to the MTS described in Sections 1 and 2 above, for example WATS. Rates and charges for such future services will be determined by market conditions at that time.

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3. Other Offerings (Cont'd)

3.4 FLD Basic 800

3.4.1 Service Description

FLD Basic 800 is an inbound 800 # service which utilizes the customer's existing local exchange access line(s) to receive 800 # dialed calls. The service can be used in conjunction with Interstate Basic 800 to receive calls originating in the domestic U.S.

Calls originating in South Carolina are rated based upon usage and time of day as specified in paragraph 3.4.2, with volume discounts applicable as specified in paragraph 3.4.4.

The minimum call duration will be one minute with additional increments rounded up to the nearest one-tenth minute.

A minimum monthly volume of \$25.00 per 800 # is required for FLD Basic 800. Customers will be billed the minimum monthly charge during any month in which actual usage does not equal or exceed \$25.00 per 800 #.

3.4.2 Rates

Nonrecurring Service Charges Service charge, per 800 #:
\$20.00

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3. Other Offerings

3.4 FLD Basic 800 (Cont'd)

3.4.3 Recurring Usage Charges

The following per minute charges will apply to calls originating in South Carolina

	Maximum	Effective
Day	.2775	.2495
Evening	.2775	.2395
Night/Weekend	.2775	.2295

3.4.4 Discounts

The following discounts apply based on total monthly volumes of FLD Basic 800.

\$0 - \$50	0%
\$51 - \$350	6%
\$351 - \$1,450	11%

3.5 FLD Private 800

3.5.1 Service Description

FLD Private 800 provides an 800 # to receive calls originating in South Carolina. The service can be used in conjunction with Interstate Private 800 to receive calls originating in the domestic U.S.

Calls are flat-rated based upon usage as indicated in paragraph 3.5.2. There are no volume discounts for FLD Private 800.

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3. Other Offerings (Cont'd)

3.5 FLD Private 800 (Cont'd)

3.5.1 Service Description (Cont'd)

The minimum call duration for FLD Private 800 is 30 seconds with additional increments rounded up to the nearest tenth of a minute

3.5.2 Rates

Nonrecurring charges	
Service Fee, per 800 #	\$10.00
Recurring Usage Charges	
Monthly minimum fee, per 800 #	\$5.00
Per Minute Charge	\$0.18

3.6 FLD Best Plus for Business

3.6.1 Service Description

FLD Best Plus for Business is an outbound 1+ and inbound 800 calling plan for customers with a business class of service as defined by the local exchange company. Call rates are volume and term sensitive instead of mileage and time-of-day sensitive. All FLD billed long distance calls including intrastate, interstate, international and operator services are combined to determine monthly call volumes for rating purposes. Calls are rated and billed in six second increments with a minimum of thirty seconds. Termination liabilities apply to cancellation of term agreements.

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EFFECTIVE:

3. Other Offerings (Cont'd)

3.6 FLD Best Plus for Business (Cont'd)

3.6.2 Rates - Effective

Rates shown in the following tables are applicable to intrastate long distance calling between points within the state of South Carolina.

Month To Month

Monthly Volume	Direct Dial	Toll-Free Service
0 - 24.99	.129	.150
25 - 99.99	.129	.150
100+	.115	.135

One Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 24.99	.125	.149
25 - 99.99	.125	.149
100+	.110	.129

Two Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 24.99	.120	.145
25 - 99.99	.120	.145
100+	.105	.119

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3. Other Offerings (Cont'd)

3.7 FLD Business Direct

3.7.1 Service Description

FLD Business Direct is an outbound 1+ and inbound 800 calling plan for switched and dedicated customers with a business class of service as defined by the local exchange company. Call rates are volume and term sensitive instead of mileage and time-of-day sensitive. All FLD billed long distance calls including intrastate, interstate, international and operator services are combined to determine monthly call volumes for rating purposes. Calls are rated and billed in six second increments with a minimum of thirty seconds. Termination liabilities apply to cancellation of term agreements.

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3. Other Offerings (Cont'd)

3.7 FLD Business Direct (Cont'd)

3.7.2 Switched Rates - Effective

Rates shown in the following tables are applicable to intrastate long distance calling between points within the state of South Carolina.

Month To Month

Monthly Volume	Direct Dial	Toll-Free Service
0 - 99.99	.125	.145
100 - 249.99	.120	.135
250 - 499.99	.120	.135
500 +	.095	.095

One Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 99.99	.120	.139
100 - 249.99	.109	.120
250 - 499.99	.109	.120
500 +	.079	.079

Two Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 99.99	.119	.130
100 - 249.99	.109	.115
250 - 499.99	.090	.095
500 +	.069	.069

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3. Other Offerings (Cont'd)

3.7 FLD Business Direct (Cont'd)

3.7.3 Dedicated Rates - Effective

Rates shown in the following tables are applicable to intrastate long distance calling between points within the state of South Carolina.

Month To Month

Monthly Contributing Volume	Outbound	Inbound
0 - 5,000.00	.089	.094
5,000.00 -	.087	.092

One Year Term

Monthly Contributing Volume	Outbound	Inbound
0 - 5,000.00	.085	.090
5,000.00 -	.083	.088

Two Year Term

Monthly Contributing Volume	Outbound	Inbound
0 - 5,000.00	.081	.086
5,000.00 -	.049	.049

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3. Other Offerings (Cont'd)

3.8 FLD Residential Direct

3.8.1 Service Description

A switched access residential product for domestic outbound, inbound and calling card direct dialed calls. Residential Direct is available to new and current customers. Residential Direct customers will be billed through the company.

Availability

Upon written enrollment, customer will receive services on a month-to-month basis. Customer must have at least \$100 in monthly usage to enroll. Interstate volumes are considered to meet minimum monthly requirements. Monthly usage consists of domestic and international outbound, inbound and calling card usage and calling card surcharges.

3.8.2 Rates

Calls are rated with an initial thirty second increment, with additional six second increments. Customer will receive the following intrastate per minute rates for Day, Evening and night/weekend outbound calls:

MAXIMUM RATES						
Rate Mileage	DAY RATE		EVENING RATE		NIGHT/WKEND RATE	
	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute
Outbound	.2200	.2200	.2200	.2200	.2200	.2200
1 - 999 Inbound	.2500	.2500	.2500	.2500	.2500	.2500
1 - 999 Calling Card	.2500	.2500	.2500	.2500	.2500	.2500
1 - 999						

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3. Other Offerings (Cont'd)

3.8 FLD Residential Direct (Cont'd)

3.8.2 Rates (Cont'd)

EFFECTIVE RATES						
Rate Mileage	DAY RATE		EVENING RATE		NIGHT/WKEND RATE	
	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute
Outbound						
1 - 999	.119	.119	.119	.119	.119	.119
Inbound						
1 - 999	.200	.200	.200	.200	.200	.200
Calling Card						
1 - 999	.250	.250	.250	.250	.250	.250

3.8.3 Additional Pricing

The following fees will apply:

Inbound Service fee: \$0.00 per 800 number (per month)
Calling Card surcharge: \$0.00 (per intrastate call).

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3. Other Offerings (Cont'd)

3.9 FLD Residential One Rate

3.9.1 Service Description

A switched access residential product for domestic outbound, in bound, and calling card direct dialed calls. Residential One Rate is available to new and current customers. Residential One Rate will be billed by the local exchange company.

Availability

Upon written enrollment, customer will receive services on a month-to-month basis. Customer must have at least \$10.00 in monthly usage to enroll. Interstate volumes are considered to meet minimum monthly requirements. Monthly usage consists of domestic and international outbound, inbound and calling card usage and calling card surcharges.

3.9.2 Rate

Calls are rated with an initial thirty second increment, with additional six second increments. Customer will receive the following intrastate per minute rate for Day, Evening and Night/Weekend calls:

Maximum Rates

Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.20	.25	.25

Effective Rates

Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.119	.16	.25

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3. Other Offerings (Cont'd)

3.9 FLD Residential One Rate (Cont'd)

3.9.3 Additional Pricing

The following fees will apply:

Inbound Service Fee \$0.00 per 800 #

Calling Card Surcharge: \$0.40 per Intrastate Call

3.10 FLD Residential Palmetto Plan

3.10.1 Service Description

A switched access residential product for domestic outbound calls. Residential Palmetto Plan is available to new and current customers. Residential Palmetto Plan will be billed by the local exchange company.

Availability

Upon written enrollments, customer will receive services on a month-to-month basis. Customer must have at least \$10.00 in monthly usage to enroll. Interstate volumes are considered to meet minimum monthly requirements. Monthly usage consists of domestic and international outbound, inbound and calling card usage and calling card surcharges.

3.10.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening, and Night/Weekend calls.

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3. Other Offerings (Cont'd)

3.10 FLD Residential Palmetto Plan (Cont'd)

3.10.2 Rates (Cont'd)

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.20	.32	.35
Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.89	.16	.25

3.10.3 Additional Pricing

The following fees will apply:

	Maximum Fee
Service Fee:	\$3.95 per month
	Effective Fee
Service Fee:	\$1.99 per month

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3. Other Offerings (Cont'd)

3.11 FLD Residential Give Me Five Plan

3.11.1 Service Description

A switched access residential product for domestic outbound calls. Residential Give Me Five is available to new and current customers.

Availability

Upon written enrollment, customer will receive services on a month-to-month basis.

3.11.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening, and Night/Weekend calls:

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.24	.32	.50

Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.12	.16	.25

The following fees will apply:

Maximum Fees	
Service Fee:	\$12.00 per month
Inbound Number Fee:	\$10.00 per 800 #
Calling Card Fee:	\$1.00 per intrastate call
Effective Fees	
Service Fee:	\$5.95 per month
Inbound Number Fee:	\$0.00 per 800 #
Calling Card Fee:	\$0.40 per intrastate call

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3. Other Offerings (Cont'd)

3.12 FLD Residential Saver Plan

3.12.1 Service Description

A switched access residential product for domestic outbound calls. Residential Saver Plan is available to new and current customers. Residential Saver Plan will be billed by the local exchange company.

Availability

Upon written enrollments, customer will receive services on a month-to-month basis.

3.12.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening and Night/Weekend calls.

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.24	.32	.35

Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.099	.119	.25

3.12.3 Additional Pricing

The following fees will apply:

Maximum Fees	
Service Fee:	\$12.00 per month
Inbound Number Fee:	\$10.00 per 800 #
Calling Card Fee:	\$1.00 per intrastate call
Effective Fees	
Service Fee:	\$7.95 per month
Inbound Number Fee:	\$0.00 per 800 #
Calling Card Fee:	\$0.40 per intrastate call

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3. Other Offerings (Cont'd)

3.13 FLD Residential Super Saver Plan

3.13.1 Service Description

A switched access residential product for domestic outbound calls. Residential Saver Plan is available to new and current customers. Residential Super Saver Plan will be billed by the local exchange company.

Availability

Upon written enrollments, customer will receive services on a month-to-month basis.

3.13.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening and Night/Weekend calls.

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.24	.32	.35

Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.079	.099	.25

3.13.3 Additional Pricing

The following fees will apply:

Maximum Fees	
Service Fee:	\$12.00 per month
Inbound Number Fee:	\$10.00 per 800 #
Calling Card Fee:	\$1.00 per intrastate call
Effective Fees	
Service Fee:	\$9.95 per month
Inbound Number Fee:	\$0.00 per 800 #
Calling Card Fee:	\$0.40 per intrastate call

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3. Other Offerings (Cont'd)

3.14 Operator Services

3.14.1 Service Description

The Company will provide operator services for Customers using other Farmers Long Distance, Inc. services. The services will include 0- and 0+ calling. 0- and 0+ local and local calling will be routed to the LEC. 10XXX 0+ or -, as dialed by the user, can be used by the Company for completion of Intralata calls.

3.14.2 Maximum Rates

Intrastate Rates for Operator Services

Schedule A FLDCard Calling Card minute of use rates in Section 3.15.2 reflect the Company's maximum allowable rates for Operator Service calls.

Service Charges* Surcharges: Maximum Rate

InterLATA	Per Call
Operator Station	\$2.00
Automated Calling Card Processing	\$1.00
Person-to-Person	\$3.50
Third Party Billed	\$3.50
Operator Dialed (Surcharge)	\$1.00
Sent Paid-Coin	\$2.00
IntraLATA	Per Call
(1) Station	
(a) Customer Dialed Credit Card	\$1.00
(b) All Others	\$1.50
(2) Person	
(a) All Calls	\$3.00

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3. Other Offerings (Cont'd)

3.14 Operator Services

3.14.3 Effective Rate Structure & Rates

Mileage Sensitive
Time of Day Sensitive
Calls billed in one minute increments

Rate Mileage	1 st Min	Add Min
Daytime		
0 - 10	.1700	.1300
11 - 16	.1900	.1400
17 - 22	.2100	.1900
23 - 30	.2300	.2300
31 - 40	.2600	.2600
41 - 55	.2600	.2600
56 - 70	.2800	.2800
71 - 124	.3000	.3000
125 - 196	.3000	.3000
197 +	.3000	.3000
Evening		
0 - 10	.1300	.1300
11 - 16	.1400	.1400
17 - 22	.1600	.1600
23 - 30	.1700	.1700
31 - 40	.1800	.1800
41 - 55	.1800	.1800
56 - 70	.1900	.1900
71 - 124	.2200	.2200
125 - 196	.2400	.2400
197 +	.2400	.2400
Night/Weekend		
0 - 10	.1200	.1200
11 - 16	.1300	.1300
17 - 22	.1500	.1500
23 - 30	.1600	.1600
31 - 40	.1700	.1700
41 - 55	.1700	.1700
56 - 70	.1900	.1900
71 - 124	.2000	.2000
125 - 196	.2100	.2100
197 +	.2100	.2100

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3. Other Offerings (Cont'd)

3.14 Operator Services

3.14.3 Effective Service Charges & Surcharges

InterLATA		Per Call
Operator Station		\$1.75
Automated Calling Card Processing		\$0.80
Person-to-Person		\$3.50
Third Party Billed		\$1.75
Operator Dialed (Surcharge)		\$0.75
Sent Paid-Coin		\$1.75
IntraLATA		Per Call
(1) Station		
(a) Customer Dialed Credit Card		\$0.50
(b) All Others		\$1.25
(2) Person		
(a) All Calls		\$2.50

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3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service

3.15.1 Service Description

The Company offers Calling Card Service under the trade name of FLDCard. This service allows Customers to place long distance calls from locations other than their normal places of business or residence to any terminating location within the State of South Carolina. Customers dial an 800 number or other access code to reach the Company's network. Customers also must enter a billing authorization code for identification and the destination telephone number. Calls are terminated over switched access facilities and are billed based on a one minute initial period and subsequent one minute periods or portions thereof based on rates specified in this tariff.

3.15.2 Maximum Rates

Maximum Rate Schedules for Schedule A

One-time initial card fee: \$2.00

Access service charges: \$0.80 per call
(for all rate periods, maximum 12 calls per access)

Intrastate Interlata Long Distance Rate Schedule FLDCard
Residential Calling Card Service

MAXIMUM RATES		
RATE MILEAGE	1 ST MIN	ADD MIN
0 - 10	.2400	.1300
11 - 16	.2500	.1400
17 - 22	.3000	.1900
23 - 30	.3400	.2400
31 - 40	.4300	.2600
41 - 55	.4800	.3000
56 - 70	.5000	.3200
71 - 124	.5200	.3500
125 - 196	.5300	.3700
197 +	.5600	.3900

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3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service (Cont'd)

3.15.2 Maximum Rates (Cont'd)

Intrastate Interlata Long Distance Rate Schedule FLDCard Business
Calling Card Service

RATE MILEAGE	MAXIMUM RATES	
	1 ST MIN	ADD MIN
All	.2400	.2400

Intrastate Intralata Long Distance Rate Schedule FLDCard
Residential Calling Card Service

RATE MILEAGE	MAXIMUM RATES	
	1 ST MIN	ADD MIN
0 - 10	.2400	.1300
11 - 16	.2500	.1400
17 - 22	.3000	.1900
23 - 30	.3400	.2400
31 - 40	.4300	.2600
41 - 55	.4800	.3000
56 - 70	.5000	.3200
71 - 124	.5200	.3500
125 - 196	.5300	.3700
197 +	.5600	.3900

Intrastate Intralata Long Distance Rate Schedule FLDCard Business
Calling Card Service

RATE MILEAGE	MAXIMUM RATES	
	1 ST MIN	ADD MIN
All	.2400	.2400

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3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service (Cont'd)

3.15.3 Effective Rates

Effective Residential Rate Structure

Mileage sensitive
Time of day sensitive
Calls billed in one minute increments

Rate Mileage	1 st Min	Add Min
Daytime		
0 - 10	.1700	.1300
11 - 16	.1900	.1400
17 - 22	.2100	.1900
23 - 30	.2300	.2300
31 - 40	.2600	.2600
41 - 55	.2600	.2600
56 - 70	.2800	.2800
71 - 124	.3000	.3000
125 - 196	.3000	.3000
197 +	.3000	.3000
Evening		
0 - 10	.1300	.1300
11 - 16	.1400	.1400
17 - 22	.1600	.1600
23 - 30	.1700	.1700
31 - 40	.1800	.1800
41 - 55	.1800	.1800
56 - 70	.1900	.1900
71 - 124	.2200	.2200
125 - 196	.2400	.2400
197 +	.2400	.2400
Night/Weekend		
0 - 10	.1200	.1200
11 - 16	.1300	.1300
17 - 22	.1500	.1500
23 - 30	.1600	.1600
31 - 40	.1700	.1700
41 - 55	.1700	.1700
56 - 70	.1900	.1900
71 - 124	.2000	.2000
125 - 196	.2100	.2100
197 +	.2100	.2100

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3.15 FLDCard Calling Card Service (Cont'd)

3.15.3 Effective Rates (Cont'd)

Effective Business Rate Structure

Flat Rate

Calls billed in six second increments with initial
increment of thirty seconds.

Non time of day sensitive

Non mileage sensitive

Rate Mileage	1 st Min	Add Min
All	.2000	.2000
One time initial card fee:		\$0.00
Access service charge:		\$0.40
	per card (for all rate periods, maximum 6 calls per access)	

EXHIBIT C

PROPOSED TARIFF OF FARMERS TELEPHONE COOPERATIVE, INC.

TITLE PAGE

SOUTH CAROLINA INTEREXCHANGE SERVICES TARIFF

OF

FARMERS TELEPHONE COOPERATIVE, INC.

This illustrative tariff, filed with the
South Carolina Public Service Commission,
contains the rates, terms, and conditions applicable to
Interexchange Services within the State of South Carolina
offered by Farmers Telephone Cooperative, Inc.

All material contained herein is new.

Interexchange Telecommunications Services Tariff

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Interexchange Telecommunications Services Tariff

EXPLANATION OF SYMBOLS

- (C) - to signify changed regulations
- (D) - to signify discontinued rate of regulation
- (I) - to signify increased rate
- (M) - to signify text relocated but not changed
- (N) - to signify new rate or regulation
- (R) - to signify reduced rate
- (S) - to signify reissued matter
- (T) - to signify a change in text, but no change in rate or regulation

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1. General

1.1 Application of Tariff

1.1.A This tariff contains the regulations and rates applicable to the provision of intrastate alternate operator telecommunications services provided by Carrier for telecommunications between points within the State of South Carolina. Alternate operator services are furnished subject to the availability of facilities and are subject to the terms and conditions of this tariff. The alternate operator services of Carrier are not part of a joint undertaking with any other entity providing telecommunications channels, facilities or services, but do involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers. The rates and regulations contained in this tariff apply only to the alternate operator services furnished by Carrier and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a LEC or other common carrier for use in assessing the services of Carrier. The subscriber is entitled to limit the use of Carrier's services by users at the subscriber's facilities, and may use other common carriers in addition to or in lieu of Carrier for alternate operator services, including without limitation offering users the ability to access the carrier of the user's own choice.

1.1.B This tariff applies to intrastate Message Telecommunications Service (MTS) furnished or made available by Farmers Long Distance, Inc, hereinafter referred to as the "Company". MTS provides telecommunications beyond the local calling areas of the calling station. Charges filed with this tariff cover the services furnished between a calling and a called station. For purposes of this Tariff, a "Station" is defined as any device by means of which MTS calls can be placed and/or received.

1.2 Regulations

1.2.1 Scope

- (A) MTS consists of the furnishings of facilities for telecommunications between stations in different local calling areas in accordance with the regulations and system of charges specified in this tariff.
- (B) The Company does not undertake to transmit messages but to furnish the transmission path which enables the customer to transmit and receive messages.

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1. General (Cont'd)

1.2 Regulations (Cont'd)

1.2.1 Scope (Cont'd)

- (C) Service will be offered only at selected exchanges with service commencing at selected exchanges and selected effective dates as determined by the Company.
- (D) The Company reserves the right to discontinue service at any exchange or in its entirety, provided that any unused portion of any applicable advance payments or deposits are returned to the customers.
- (E) The service may not be available to party line or public or semi-public telephone users.
- (F) At times, availability of service may be temporarily limited due to facility shortages caused by emergency conditions.

1.2.2 Application for Service

- (A) The Company may require a customer to sign an application form furnished by the Company and to establish credit as provided in these Regulations, as a condition precedent to the initial establishment of such service. Company's acceptance of an order for service to be provided to an applicant whose credit has not been duly established may be subject to the provisions described in Section 1.2.3 following.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.2 Application for Service (Cont'd)

- (B) The Company may also require a signed authorization from a customer for additions to or changes in the existing service for such customer.
- (C) An application for service cancelled by the customer or the Company prior to the establishment of the service applied for is subject to the provisions of Section 1.2.3.

1.2.3 Deposits

Applicants for service may be required to establish credit. Any applicant whose credit has not been duly established may be required to make a deposit at the time of application to be held as a guarantee of payment of charges. In addition, an existing customer may be required to make a deposit or increase a deposit currently held.

- (A) A deposit will be returned

when an application for service has been cancelled prior to the establishment of service. (The deposit will be applied to any charges applicable in accordance with the tariff and the excess portion of the deposit will be returned.)

. . . upon the discontinuance of service. (The Company will refund the customer's deposit or the balance in excess of unpaid bills for the service.)

. . . at the end of twelve (12) months of satisfactory credit history or when otherwise required by regulatory authority.

- (B) The fact that a deposit has been made in no way relieves the customer from complying with the regulations with respect to the prompt payment of bills on presentation.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.4 Interruption of Service

It shall be the obligation of the customer to notify the Company of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission of the customer nor located in customer provided wiring or equipment.

1.2.5 Liability

- (A) The customer has exclusive control of the communications transmitted over the facilities furnished by the Company, and of the uses made of the facilities. The Company assumes no liability therefore except as specifically provided below.
- (B) Because of the possibility of unavoidable errors incidental to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company are subject to the terms, conditions and limitations specified in (C) and (D) following.
- (C) The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, or failures or defects in facilities furnished by the company, occurring in the course of furnishing service or other facilities shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay or error or defect in transmission, or failure or defect in facilities occurs.
- (D) The customer indemnifies and holds the Company harmless against claims for libel, slander, or infringement of copyright arising in connection with the material transmitted over its facilities; against claims for infringement of patents arising from, combining with, or used in connection with, facilities of the Company, apparatus and systems of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by the Company.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.5 Liability (Cont'd)

- (E) Carrier hereby asserts and affirms that as a reseller of intrastate telecommunications service, it will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, it will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. It understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

1.2.6 Use

(A) Use of Service

The Service is provided for use by the customer and may be used by others when so authorized by the customer providing that such use shall be subject to the provisions of this Tariff.

(B) Abuse and Fraudulent Use

The Service is furnished subject to the conditions that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of service includes:

- (1) The use of profane or obscene language.
- (2) The use of service or facilities of the Company to transmit a message, locate a person, or give or obtain information without payment of the charge applicable for service.
- (3) The obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain MTS, by rearranging, tampering with, or making connection with any facilities of the Company or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, in whole or in part, of the regular charges for such service.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.6 Use (Cont'd)

(B) Abuse and Fraudulent Use (Cont'd)

(4) The use of service or facilities of the Company for a call or calls, anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment or harass another.

(5) The use of the service in such a manner as to interfere unreasonably with the use of the service by one or more other customers.

(C) Unlawful Purpose

The service is furnished subject to the condition that it will not be used for an unlawful purpose.

1.2.7 Obligation of the Customer

The customer shall establish his/her identity in the course of any communication as often as may be necessary. The customer shall be solely responsible for establishing the identity of the person or persons with whom connection is made at the called location(s).

1.2.8 Billing of Charges

(A) Any applicable flat rate charges are normally billed in advance. Usage charges are billed in arrears.

(B) The Company may make arrangement for billing and collection to be performed on its behalf by another agent. Such an arrangement in no way lessens the customer's responsibility for prompt payment of billing for services rendered.

(C) Collect, Calling Card and Third Party Calls charges will be included on the user's or called or third party's regular home or business telephone bill pursuant to billing and collection agreements established by Carrier or its intermediary with the applicable telephone company.

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1. GENERAL (Cont'd)

1.2 Regulations (Cont'd)

1.2.9 Payment Arrangements

The customer is responsible for payment of all charges for service furnished, and payment is due on receipt of the bill.

- (A) The customer shall submit payment for all charges direct to the Company or to any Agency authorized by the Company to receive such payment.
- (B) If the bill is not paid by the past due date shown on the bill, the account will be considered delinquent.
- (C) A delinquent account may subject the customer's service to disconnection.
- (D) Failure to receive a bill will not exempt a customer from prompt payment of any sum or sums due the Company.

1.2.10 Late payment and Returned Check Charges

The carrier may establish late payment and/or returned check charges as it deems appropriate.

1.2.11 Termination of Service for Cause

Upon nonpayment of any sum due the Company, or upon a violation of any of the conditions governing the furnishing of service, the Company without incurring any liability, forthwith discontinue the furnishing of service.

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2. Initial Service Offering

2.1 Classes of Service Generally Offered

Classes of MTS service generally offered by interexchange carriers are one or more of the following:

Dial Station-to-Station
Customer Dialed Calling Card
Operator Station-to-Station
Person-to-Person

2.2 Classes of Service

2.2.1 Description

A. Dial Station-to-Station

The term "Dial Station-to-Station" applies only to sent-paid, Station-to-Station dial type communication. Dial Station-to-Station service will not be available to Public or Semi-Public Coin Telephones.

Dial type communication denotes a call dialed and completed by the customer without the assistance of an operator and billed to the originating number. The services of an operator will not be used in connection with completing a call, or in furnishing any information or assistance relating to billing or charges for such call, except that, if available, an operator may without additional charge:

- (a) Re-establish a call which has been pre-maturely interrupted after the called number has been reached.

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2. Initial Service Offering (Cont'd)

2.2.1 Description (Cont'd)

- (b) Reach the called telephone number when facilities are temporarily not available for customer dial completion.
- (c) Record the originating telephone number if the service is offered to party line customers or if required for special billing arrangements.
- (d) Place a call for calling parties who identify themselves as being handicapped and unable to dial call because of the handicap.

B. Operator Station-to-Station

Operator Station-to-Station rates apply to Station-to-Station telephone calls where the call completion or a request for any information or assistance relating to billing or charges for such call requires the assistance of an operator, except for operator services as described in the preceeding Paragraph A.

C. Person - to - Person

Person-to-Person rates apply to calls in which the call originator specifies to the operator a particular person to be reached or otherwise a particular office, department or station to be reached.

D. Customer Dialed Calling Card

Customer Dialed Calling Card rates apply to Station-to-Station calls in which the call originator dials and completes the call (to be billed to a Calling Card) without the assistance of an operator, except that an operator may record the Calling Card number, or where the operator is requested to reach the called number or must reach the number where facilities are not available for automatic dial completion.

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2. Initial Service Offering (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.2 Rate Structure

The message charge is a function of the duration of the call (in minutes), the distance of the call (in airline miles), the day and time of day that the call is originated. Message charges and any applicable operator service charges for operator station, Person-to-Person, and Calling Card Classes of Service are found in section 3.14

2.2.3 Determination of Minutes

- (A) On customer Dial Station-to-Station calls, chargeable time begins when connection is established between the calling station and the called station.
- (B) On Person-to-Person calls, chargeable time begins when connection is established between the calling person and the particular person or station specified, or an agreed alternative.
- (C) Chargeable time ends when the calling station "hangs up" thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the telecommunications network or by the operator.
- (D) Chargeable times does not include time lost because of faults or defects in the service.
- (E) Rates are stated in terms of initial and additional minutes.
 - (1) All initial period rates given in the rate table in 2.3.5 following are for connections of one minute or any fraction thereof.
 - (2) All additional period rates given in the table in 2.3.5 following are for each additional minute or any fraction thereof that the connection continues beyond the initial period.

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2. Initial Service Offering (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.4 Determination of Rate Band Mileage

- (A) MTS rates between points (cities, towns or communities) within the State of South Carolina are based on the airline distance between rate centers. In general, each exchange is designated as a rate center.
- (B) Airline (rate band) mileages between rate centers are determined by using vertical and horizontal grid lines which have been established across the United States. A four-digit vertical (V) and a four-digit horizontal (H) coordinate is assigned for each rate center based on its latitude and longitude location on a map. The distance between any two rate centers is the airline mileage computed between their respective V & H locations, with fractional miles being rounded up to the next mile to determine the applicable mileage. The rates applicable to mileage bands are provided in the table in 2.2.5.
- (C) V & H coordinates for rate centers in South Carolina and the formula for determining airline mileage between two or more rate centers may be found in Section A11.5 of AT&T's General Services Tariff as approved by the South Carolina Public Service Commission.

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2. Initial Service Offering (Cont'd)

2.2.5 Rate Table - Effective

Rates shown in the following table are applicable to intrastate long distance calling between all points within the state of South Carolina.

DAY		
Rate Mileage	Initial Minute	Each Additional Minute
0 - 10	.1394	.1208
11 - 16	.1580	.1301
17 - 22	.1673	.1673
23 - 30	.2045	.2045
31 - 55	.2324	.2324
56 - 70	.2603	.2603
71 - 124	.2789	.2789
125 +	.2882	.2882
EVENING		
0 - 10	.1234	.1234
11 - 16	.1329	.1329
17 - 22	.1519	.1519
23 - 30	.1614	.1614
31 - 55	.1804	.1804
56 - 70	.1994	.1994
71 - 124	.2089	.2089
125 +	.2184	.2184
NIGHT/WEEKEND		
0 - 10	.1139	.1139
11 - 16	.1234	.1234
17 - 22	.1234	.1234
23 - 30	.1424	.1424
31 - 55	.1614	.1614
56 - 70	.1804	.1804
71 - 124	.1899	.1899
125 +	.1994	.1994

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2. Initial Service Offerings (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.6 Discounts

(A) The day and time of day at the originating location when the connection is established determines the level of the Time of Day, Day of Week and/or Holiday Discounts which applies. The applicable discount period can be determined from the table below:

	MON	TUES	WED	THURS	FRI	SAT	SUN
8:00 AM TO 5:00 ¹ PM	Day Rate Period						
5:00 PM TO 11:00 ¹ PM	Evening Rate Period					Eve.	
11:00 PM TO 8:00 ¹ AM	Night & Weekend Rate Period						

Note 1: To, but not including

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2. Initial Service Offering (Cont'd)

2.2 Classes of Service (Cont'd)

2.2.6 Discounts (Cont'd)

(B) Time of Day, Day of Week, and Holiday discounts, when applicable, apply to the initial and additional minutes for all calls.

(C) When a discount results in a fractional charge, the amount will be rounded down to the next lower cent.

(D) The Evening rate applies to the holidays listed below unless a lower rate period is in effect:

- New Year's Day	January 1	***
- Independence Day	July 4	***
- Labor Day	---	
- Thanksgiving Day	---	
- Christmas Day	December 25	***

(E) If a call begins in one discount period and ends in another, the initial period discount is the discount in effect at the time the call is established. The charge for each additional minute of usage is the additional minute billing rate for the rate period in which the beginning of each additional minute occurs.

*** When these holidays are celebrated on a day other than the dates shown, the Evening rate applies to the resulting legal holidays unless a lower rate period is in effect.

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3. Other Offerings

3.1 Promotional Offerings

The carrier may from time to time, at selected locations, engage in special promotional service offerings designed to attract new customers or to increase existing customers usage of the carrier's service. Such offerings may be in the form of direct discounts or in the form of bulk packaging plans, for example Optional Calling Plans.

3.2 Future MTS Offerings

Dependent upon future market conditions and other circumstances, the carrier may at a later date offer other classes of service in addition to the Dial Station-to-Station service described in 2.2 above. Rates and charges for such future services will be determined by market conditions at that time.

3.3 Other Future Offerings

Dependent upon future market conditions and other circumstances, the carrier may at a later date offer other types of services in addition to the MTS described in Sections 1 and 2 above, for example WATS. Rates and charges for such future services will be determined by market conditions at that time.

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3. Other Offerings (Cont'd)

3.4 FLD Basic 800

3.4.1 Service Description

FLD Basic 800 is an inbound 800 # service which utilizes the customer's existing local exchange access line(s) to receive 800 # dialed calls. The service can be used in conjunction with Interstate Basic 800 to receive calls originating in the domestic U.S.

Calls originating in South Carolina are rated based upon usage and time of day as specified in paragraph 3.4.2, with volume discounts applicable as specified in paragraph 3.4.4.

The minimum call duration will be one minute with additional increments rounded up to the nearest one-tenth minute.

A minimum monthly volume of \$25.00 per 800 # is required for FLD Basic 800. Customers will be billed the minimum monthly charge during any month in which actual usage does not equal or exceed \$25.00 per 800 #.

3.4.2 Rates

Nonrecurring Service Charges Service charge, per 800 #:
\$20.00

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3. Other Offerings

3.4 FLD Basic 800 (Cont'd)

3.4.3 Recurring Usage Charges

The following per minute charges will apply to calls
originating in South Carolina

	Maximum	Effective
Day	.2775	.2495
Evening	.2775	.2395
Night/Weekend	.2775	.2295

3.4.4 Discounts

The following discounts apply based on total monthly
volumes of FLD Basic 800.

\$0 - \$50	0%
\$51 - \$350	6%
\$351 - \$1,450	11%

3.5 FLD Private 800

3.5.1 Service Description

FLD Private 800 provides an 800 # to receive calls
originating in South Carolina. The service can be used in
conjunction with Interstate Private 800 to receive calls
originating in the domestic U.S.

Calls are flat-rated based upon usage as indicated in
paragraph 3.5.2. There are no volume discounts for FLD
Private 800.

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3. Other Offerings (Cont'd)

3.5 FLD Private 800 (Cont'd)

3.5.1 Service Description (Cont'd)

The minimum call duration for FLD Private 800 is 30 seconds with additional increments rounded up to the nearest tenth of a minute

3.5.2 Rates

Nonrecurring charges	
Service Fee, per 800 #	\$10.00
Recurring Usage Charges	
Monthly minimum fee, per 800 #	\$5.00
Per Minute Charge	\$0.18

3.6 FLD Best Plus for Business

3.6.1 Service Description

FLD Best Plus for Business is an outbound 1+ and inbound 800 calling plan for customers with a business class of service as defined by the local exchange company. Call rates are volume and term sensitive instead of mileage and time-of-day sensitive. All FLD billed long distance calls including intrastate, interstate, international and operator services are combined to determine monthly call volumes for rating purposes. Calls are rated and billed in six second increments with a minimum of thirty seconds. Termination liabilities apply to cancellation of term agreements.

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3. Other Offerings (Cont'd)

3.6 FLD Best Plus for Business (Cont'd)

3.6.2 Rates - Effective

Rates shown in the following tables are applicable to intrastate long distance calling between points within the state of South Carolina.

Month To Month

Monthly Volume	Direct Dial	Toll-Free Service
0 - 24.99	.129	.150
25 - 99.99	.129	.150
100+	.115	.135

One Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 24.99	.125	.149
25 - 99.99	.125	.149
100+	.110	.129

Two Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 24.99	.120	.145
25 - 99.99	.120	.145
100+	.105	.119

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3. Other Offerings (Cont'd)

3.7 FLD Business Direct

3.7.1 Service Description

FLD Business Direct is an outbound 1+ and inbound 800 calling plan for switched and dedicated customers with a business class of service as defined by the local exchange company. Call rates are volume and term sensitive instead of mileage and time-of-day sensitive. All FLD billed long distance calls including intrastate, interstate, international and operator services are combined to determine monthly call volumes for rating purposes. Calls are rated and billed in six second increments with a minimum of thirty seconds. Termination liabilities apply to cancellation of term agreements.

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3. Other Offerings (Cont'd)

3.7 FLD Business Direct (Cont'd)

3.7.2 Switched Rates - Effective

Rates shown in the following tables are applicable to intrastate long distance calling between points within the state of South Carolina.

Month To Month

Monthly Volume	Direct Dial	Toll-Free Service
0 - 99.99	.125	.145
100 - 249.99	.120	.135
250 - 499.99	.120	.135
500 +	.095	.095

One Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 99.99	.120	.139
100 - 249.99	.109	.120
250 - 499.99	.109	.120
500 +	.079	.079

Two Year Term

Monthly Volume	Direct Dial	Toll-Free Service
0 - 99.99	.119	.130
100 - 249.99	.109	.115
250 - 499.99	.090	.095
500 +	.069	.069

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3. Other Offerings (Cont'd)

3.7 FLD Business Direct (Cont'd)

3.7.3 Dedicated Rates - Effective

Rates shown in the following tables are applicable to intrastate long distance calling between points within the state of South Carolina.

Month To Month

Monthly Contributing Volume	Outbound	Inbound
0 - 5,000.00	.089	.094
5,000.00 -	.087	.092

One Year Term

Monthly Contributing Volume	Outbound	Inbound
0 - 5,000.00	.085	.090
5,000.00 -	.083	.088

Two Year Term

Monthly Contributing Volume	Outbound	Inbound
0 - 5,000.00	.081	.086
5,000.00 -	.049	.049

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3. Other Offerings (Cont'd)

3.8 FLD Residential Direct

3.8.1 Service Description

A switched access residential product for domestic outbound, inbound and calling card direct dialed calls. Residential Direct is available to new and current customers. Residential Direct customers will be billed through the company.

Availability

Upon written enrollment, customer will receive services on a month-to-month basis. Customer must have at least \$100 in monthly usage to enroll. Interstate volumes are considered to meet minimum monthly requirements. Monthly usage consists of domestic and international outbound, inbound and calling card usage and calling card surcharges.

3.8.2 Rates

Calls are rated with an initial thirty second increment, with additional six second increments. Customer will receive the following intrastate per minute rates for Day, Evening and night/weekend outbound calls:

Rate Mileage	MAXIMUM RATES					
	DAY RATE		EVENING RATE		NIGHT/WKEND RATE	
	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute
Outbound						
1 - 999	.2200	.2200	.2200	.2200	.2200	.2200
Inbound						
1 - 999	.2500	.2500	.2500	.2500	.2500	.2500
Calling Card						
1 - 999	.2500	.2500	.2500	.2500	.2500	.2500

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3. Other Offerings (Cont'd)

3.8 FLD Residential Direct (Cont'd)

3.8.2 Rates (Cont'd)

EFFECTIVE RATES						
Rate Mileage	DAY RATE		EVENING RATE		NIGHT/WKEND RATE	
	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute	Initial Minute	Each Add'l Minute
Outbound						
	.119	.119	.119	.119	.119	.119
1 - 999 Inbound						
	.200	.200	.200	.200	.200	.200
1 - 999 Calling Card						
	.250	.250	.250	.250	.250	.250
1 - 999						

3.8.3 Additional Pricing

The following fees will apply:

Inbound Service fee: \$0.00 per 800 number (per month)
Calling Card surcharge: \$0.00 (per intrastate call).

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3. Other Offerings (Cont'd)

3.9 FLD Residential One Rate

3.9.1 Service Description

A switched access residential product for domestic outbound, in bound, and calling card direct dialed calls. Residential One Rate is available to new and current customers. Residential One Rate will be billed by the local exchange company.

Availability

Upon written enrollment, customer will receive services on a month-to-month basis. Customer must have at least \$10.00 in monthly usage to enroll. Interstate volumes are considered to meet minimum monthly requirements. Monthly usage consists of domestic and international outbound, inbound and calling card usage and calling card surcharges.

3.9.2 Rate

Calls are rated with an initial thirty second increment, with additional six second increments. Customer will receive the following intrastate per minute rate for Day, Evening and Night/Weekend calls:

Maximum Rates

Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.20	.25	.25

Effective Rates

Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.119	.16	.25

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3. Other Offerings (Cont'd)

3.9 FLD Residential One Rate (Cont'd)

3.9.3 Additional Pricing

The following fees will apply:

Inbound Service Fee \$0.00 per 800 #

Calling Card Surcharge: \$0.40 per Intrastate Call

3.10 FLD Residential Palmetto Plan

3.10.1 Service Description

A switched access residential product for domestic outbound calls. Residential Palmetto Plan is available to new and current customers. Residential Palmetto Plan will be billed by the local exchange company.

Availability

Upon written enrollments, customer will receive services on a month-to-month basis. Customer must have at least \$10.00 in monthly usage to enroll. Interstate volumes are considered to meet minimum monthly requirements. Monthly usage consists of domestic and international outbound, inbound and calling card usage and calling card surcharges.

3.10.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening, and Night/Weekend calls.

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3. Other Offerings (Cont'd)

3.10 FLD Residential Palmetto Plan (Cont'd)

3.10.2 Rates (Cont'd)

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.20	.32	.35
Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.89	.16	.25

3.10.3 Additional Pricing

The following fees will apply:

	Maximum Fee
Service Fee:	\$3.95 per month
	Effective Fee
Service Fee:	\$1.99 per month

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3. Other Offerings (Cont'd)

3.11 FLD Residential Give Me Five Plan

3.11.1 Service Description

A switched access residential product for domestic outbound calls. Residential Give Me Five is available to new and current customers.

Availability

Upon written enrollment, customer will receive services on a month-to-month basis.

3.11.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening, and Night/Weekend calls:

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.24	.32	.50

Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.12	.16	.25

The following fees will apply:

Maximum Fees	
Service Fee:	\$12.00 per month
Inbound Number Fee:	\$10.00 per 800 #
Calling Card Fee:	\$1.00 per intrastate call
Effective Fees	
Service Fee:	\$5.95 per month
Inbound Number Fee:	\$0.00 per 800 #
Calling Card Fee:	\$0.40 per intrastate call

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3. Other Offerings (Cont'd)

3.12 FLD Residential Saver Plan

3.12.1 Service Description

A switched access residential product for domestic outbound calls. Residential Saver Plan is available to new and current customers. Residential Saver Plan will be billed by the local exchange company.

Availability

Upon written enrollments, customer will receive services on a month-to-month basis.

3.12.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening and Night/Weekend calls.

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.24	.32	.35

Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.099	.119	.25

3.12.3 Additional Pricing

The following fees will apply:

Maximum Fees	
Service Fee:	\$12.00 per month
Inbound Number Fee:	\$10.00 per 800 #
Calling Card Fee:	\$1.00 per intrastate call
Effective Fees	
Service Fee:	\$7.95 per month
Inbound Number Fee:	\$0.00 per 800 #
Calling Card Fee:	\$0.40 per intrastate call

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3. Other Offerings (Cont'd)

3.13 FLD Residential Super Saver Plan

3.13.1 Service Description

A switched access residential product for domestic outbound calls. Residential Saver Plan is available to new and current customers. Residential Super Saver Plan will be billed by the local exchange company.

Availability

Upon written enrollments, customer will receive services on a month-to-month basis.

3.13.2 Rates

Calls are rated in whole minute increments. Customer will receive the following intrastate per minute rate for Day, Evening and Night/Weekend calls.

Maximum Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.24	.32	.35

Effective Rates			
Mileage	Outbound	Inbound	Calling Card
	1 - 999	1 - 999	1 - 999
All Periods	.079	.099	.25

3.13.3 Additional Pricing

The following fees will apply:

Maximum Fees	
Service Fee:	\$12.00 per month
Inbound Number Fee:	\$10.00 per 800 #
Calling Card Fee:	\$1.00 per intrastate call
Effective Fees	
Service Fee:	\$9.95 per month
Inbound Number Fee:	\$0.00 per 800 #
Calling Card Fee:	\$0.40 per intrastate call

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3. Other Offerings (Cont'd)

3.14 Operator Services

3.14.1 Service Description

The Company will provide operator services for Customers using other Farmers Long Distance, Inc. services. The services will include 0- and 0+ calling. 0- and 0+ local and local calling will be routed to the LEC. 10XXX 0+ or -, as dialed by the user, can be used by the Company for completion of Intralata calls.

3.14.2 Maximum Rates

Intrastate Rates for Operator Services

Schedule A FLDCard Calling Card minute of use rates in Section 3.15.2 reflect the Company's maximum allowable rates for Operator Service calls.

Service Charges* Surcharges: Maximum Rate

InterLATA	Per Call
Operator Station	\$2.00
Automated Calling Card Processing	\$1.00
Person-to-Person	\$3.50
Third Party Billed	\$3.50
Operator Dialed (Surcharge)	\$1.00
Sent Paid-Coin	\$2.00
IntraLATA	Per Call
(1) Station	
(a) Customer Dialed Credit Card	\$1.00
(b) All Others	\$1.50
(2) Person	
(a) All Calls	\$3.00

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3.14 Operator Services

3.14.3 Effective Rate Structure & Rates

Mileage Sensitive
Time of Day Sensitive
Calls billed in one minute increments

Rate Mileage	1 st Min	Add Min
Daytime		
0 - 10	.1700	.1300
11 - 16	.1900	.1400
17 - 22	.2100	.1900
23 - 30	.2300	.2300
31 - 40	.2600	.2600
41 - 55	.2600	.2600
56 - 70	.2800	.2800
71 - 124	.3000	.3000
125 - 196	.3000	.3000
197 +	.3000	.3000
Evening		
0 - 10	.1300	.1300
11 - 16	.1400	.1400
17 - 22	.1600	.1600
23 - 30	.1700	.1700
31 - 40	.1800	.1800
41 - 55	.1800	.1800
56 - 70	.1900	.1900
71 - 124	.2200	.2200
125 - 196	.2400	.2400
197 +	.2400	.2400
Night/Weekend		
0 - 10	.1200	.1200
11 - 16	.1300	.1300
17 - 22	.1500	.1500
23 - 30	.1600	.1600
31 - 40	.1700	.1700
41 - 55	.1700	.1700
56 - 70	.1900	.1900
71 - 124	.2000	.2000
125 - 196	.2100	.2100
197 +	.2100	.2100

Interexchange Telecommunications Services Tariff

FARMERS TELEPHONE COOPERATIVE, INC.

ISSUED: September 10, 2007

BY: Ronald K. Nesmith
Chief Regulatory Officer

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EFFECTIVE:

3. Other Offerings (Cont'd)

3.14 Operator Services

3.14.3 Effective Service Charges & Surcharges

InterLATA		Per Call
Operator Station		\$1.75
Automated Calling Card Processing		\$0.80
Person-to-Person		\$3.50
Third Party Billed		\$1.75
Operator Dialed (Surcharge)		\$0.75
Sent Paid-Coin		\$1.75
IntraLATA		Per Call
(1) Station		
(a) Customer Dialed Credit Card		\$0.50
(b) All Others		\$1.25
(2) Person		
(a) All Calls		\$2.50

Interexchange Telecommunications Services Tariff

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EFFECTIVE:

3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service

3.15.1 Service Description

The Company offers Calling Card Service under the trade name of FLDCard. This service allows Customers to place long distance calls from locations other than their normal places of business or residence to any terminating location within the State of South Carolina. Customers dial an 800 number or other access code to reach the Company's network. Customers also must enter a billing authorization code for identification and the destination telephone number. Calls are terminated over switched access facilities and are billed based on a one minute initial period and subsequent one minute periods or portions thereof based on rates specified in this tariff.

3.15.2 Maximum Rates

Maximum Rate Schedules for Schedule A

One-time initial card fee: \$2.00

Access service charges: \$0.80 per call
(for all rate periods, maximum 12 calls per access)

Intrastate Interlata Long Distance Rate Schedule FLDCard
Residential Calling Card Service

MAXIMUM RATES		
RATE MILEAGE	1 ST MIN	ADD MIN
0 - 10	.2400	.1300
11 - 16	.2500	.1400
17 - 22	.3000	.1900
23 - 30	.3400	.2400
31 - 40	.4300	.2600
41 - 55	.4800	.3000
56 - 70	.5000	.3200
71 - 124	.5200	.3500
125 - 196	.5300	.3700
197 +	.5600	.3900

Interexchange Telecommunications Services Tariff

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Chief Regulatory Officer

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EFFECTIVE:

3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service (Cont'd)

3.15.2 Maximum Rates (Cont'd)

Intrastate Interlata Long Distance Rate Schedule FLDCard Business
Calling Card Service

RATE MILEAGE	MAXIMUM RATES	
	1 ST MIN	ADD MIN
All	.2400	.2400

Intrastate Intralata Long Distance Rate Schedule FLDCard
Residential Calling Card Service

RATE MILEAGE	MAXIMUM RATES	
	1 ST MIN	ADD MIN
0 - 10	.2400	.1300
11 - 16	.2500	.1400
17 - 22	.3000	.1900
23 - 30	.3400	.2400
31 - 40	.4300	.2600
41 - 55	.4800	.3000
56 - 70	.5000	.3200
71 - 124	.5200	.3500
125 - 196	.5300	.3700
197 +	.5600	.3900

Intrastate Intralata Long Distance Rate Schedule FLDCard Business
Calling Card Service

RATE MILEAGE	MAXIMUM RATES	
	1 ST MIN	ADD MIN
All	.2400	.2400

Interexchange Telecommunications Services Tariff

FARMERS TELEPHONE COOPERATIVE, INC.

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EFFECTIVE:

3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service (Cont'd)

3.15.3 Effective Rates

Effective Residential Rate Structure

Mileage sensitive
Time of day sensitive
Calls billed in one minute increments

Rate Mileage	1 st Min	Add Min
Daytime		
0 - 10	.1700	.1300
11 - 16	.1900	.1400
17 - 22	.2100	.1900
23 - 30	.2300	.2300
31 - 40	.2600	.2600
41 - 55	.2600	.2600
56 - 70	.2800	.2800
71 - 124	.3000	.3000
125 - 196	.3000	.3000
197 +	.3000	.3000
Evening		
0 - 10	.1300	.1300
11 - 16	.1400	.1400
17 - 22	.1600	.1600
23 - 30	.1700	.1700
31 - 40	.1800	.1800
41 - 55	.1800	.1800
56 - 70	.1900	.1900
71 - 124	.2200	.2200
125 - 196	.2400	.2400
197 +	.2400	.2400
Night/Weekend		
0 - 10	.1200	.1200
11 - 16	.1300	.1300
17 - 22	.1500	.1500
23 - 30	.1600	.1600
31 - 40	.1700	.1700
41 - 55	.1700	.1700
56 - 70	.1900	.1900
71 - 124	.2000	.2000
125 - 196	.2100	.2100
197 +	.2100	.2100

Interexchange Telecommunications Services Tariff

FARMERS TELEPHONE COOPERATIVE, INC.

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Chief Regulatory Officer

Original Page 23
EFFECTIVE:

3. Other Offerings (Cont'd)

3.15 FLDCard Calling Card Service (Cont'd)

3.15.3 Effective Rates (Cont'd)

Effective Business Rate Structure

Flat Rate
Calls billed in six second increments with initial
increment of thirty seconds.
Non time of day sensitive
Non mileage sensitive

Rate Mileage	1 st Min	Add Min
All	.2000	.2000
One time initial card fee:		\$0.00
Access service charge:		\$0.40
	per card (for all rate periods, maximum 6 calls per access)	

EXHIBIT D

VERIFIED TESTIMONY OF RONALD K. NESMITH

BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

Application of)	
)	
FTC Communications, Inc., d/b/a Farmers Long)	
Distance (FLD), Farmers Telephone Cooperative,)	Docket No. _____
Inc. (FTC), and FTC Diversified Services, Inc. (FTC-D))	
)	
For Approval of Transfer of Customer Base and for)	
Expansion of Authority of FTC-D to Include the)	
Authority to Provide Resold Interexchange)	
Telecommunications Services in South Carolina, and for)	
Approval of FTC's Interexchange Telecommunications)	
Tariff Adopting FLD's Rates, Terms and Conditions)	
_____)	

VERIFIED TESTIMONY OF RONALD K. NESMITH

- Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- A. My name is Ronald K. Nesmith. My business address is Post Office Box 588, 1101
E. Main Street, Kingstree, South Carolina 29556.
- Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?
- A. I am employed by Farmers Telephone Cooperative, Inc., as its External Affairs &
Chief Regulatory Officer. I serve in this capacity for the cooperative and its
affiliates.

Q. PLEASE BRIEFLY OUTLINE YOUR EDUCATION, TRAINING, AND EXPERIENCE IN THE TELEPHONE INDUSTRY.

A. I earned a Bachelor of Business Administration degree from Francis Marion University. I began my telecommunications career at FTC in June of 1973 as a network technician and, with the opening of a new position within the accounting department, transferred to the accounting department in 1975. Since 1975, I have worked in many areas of responsibility including internal policies and procedures, settlements and external affairs with connecting carriers, access billing, negotiation of interconnection agreements, and regulatory functions including cost study work, rate design for tariff filings, access billing, and universal service.

Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A: The purpose of my testimony is to provide information to support granting the authority requested in the Application filed in the above-referenced docket on behalf of FTC Communications, Inc., d/b/a Farmers Long Distance ("FLD"), Farmers Telephone Cooperative, Inc. ("FTC") and FTC Diversified Services, Inc. ("FTC-D").

Q. PLEASE DESCRIBE WHAT AUTHORITY IS BEING SOUGHT IN THIS APPLICATION.

A. By their Application, FLD, FTC, and FTC-D are asking the Commission for authority (i) to transfer to FTC all of FLD's long distance customers, both residential and business, who are served by FLD in the local exchange service area of FTC; (ii) to transfer to FTC-D all of FLD's long distance customers, both residential and business, who are served by FLD in the local exchange service

area of FTC-D; (iii) to expand FTC-D's certificate of public convenience and necessity to include the authority to provide resold interexchange telecommunications services in the State of South Carolina; and (iv) to approve FTC's interexchange telecommunications service tariff by which it will adopt the rates, terms, and conditions for resold interexchange telecommunications services contained in FLD's current tariffs. The Applicants also request, to the extent required, that the Commission waive any applicable anti-slamming regulations. Finally, the Applicants request that the Commission grant the relief requested herein on an expedited basis.

Q. PLEASE GIVE A BRIEF OVERVIEW OF FTC COMMUNICATIONS, INC., D/B/A FARMERS LONG DISTANCE (FLD).

A. FLD is a South Carolina corporation. FLD is a wholly owned subsidiary of FTC Management Group, Inc., which is a wholly owned subsidiary of Farmers Telephone Cooperative, Inc. FLD was originally incorporated as Farmers Long Distance, Inc. in 1990, and its Articles of Incorporation were amended in 1997 to reflect its new name of FTC Communications, Inc. FLD was authorized to operate as a reseller of interexchange telecommunications services in the State of South Carolina by Order No. 90-1146, issued by the Commission in Docket No. 90-539-C on December 4, 1990.

Q. PLEASE GIVE A BRIEF OVERVIEW OF FARMERS TELEPHONE COOPERATIVE, INC. (FTC).

A. FTC is a telephone cooperative duly incorporated and existing under the laws of the State of South Carolina. FTC is an incumbent local exchange telephone

company, and has been providing telecommunications services in rural areas of South Carolina for over 50 years.

Q. PLEASE GIVE A BRIEF OVERVIEW OF FTC DIVERSIFIED SERVICES, INC. (FTC-D).

A. FTC-D is a wholly-owned subsidiary of FTC Management Group, Inc., which is in turn a wholly-owned subsidiary of FTC. FTC-D is incorporated in the State of South Carolina. FTC-D was authorized to provide local exchange and exchange access telecommunications services in certain areas of South Carolina by Commission Order No. 98-927, dated November 20, 1998, in Docket No. 98-489-C (which transferred to FTC-D the certificate that had been granted to FTC Communications, Inc., by Order No. 98-463, dated June 19, 1998, in Docket No. 98-127-C.) FTC-D was subsequently granted flexible regulation of its local exchange services, by Order No. 1999-840 in Docket No. 98-127-C (November 29, 1999), and an expansion of its authority to serve additional areas by Order No. 2001-255 in Docket No. 2000-567-C (March 21, 2001). FTC-D was created to provide competitive local exchange services in certain areas of South Carolina that are outside the local service area served by FTC.

FTC DIVERSIFIED SERVICES, INC. – EXPANSION OF AUTHORITY

Q. WHAT EXPANDED AUTHORITY IS FTC-D SEEKING?

A. FTC-D is requesting authority from the Commission to provide resold interexchange telecommunications services in the State of South Carolina.

Q. DOES FTC-D POSSESS SUFFICIENT TECHNICAL, MANAGERIAL, AND FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT REQUESTS AUTHORITY?

A. Yes. As previously demonstrated to this Commission in Docket Nos. 98-127-C, 98-489-C, and 2000-567-C, and as evidenced by FTC-D's history of providing high-quality telecommunications services within the State of South Carolina, FTC-D has the technical, managerial, and financial resources and capability to provide the services for which authority is requested.

Q. WHAT ARE THE RATES, TERMS AND CONDITIONS THAT WILL APPLY TO THE INTEREXCHANGE TELECOMMUNICATIONS SERVICES OFFERED BY FTC-D?

A. With respect to initial tariffs, FTC-D will adopt the current and effective tariffs of FLD in the State of South Carolina upon certification and prior to the commencement of service in its own name. A proposed tariff for interexchange telecommunications services to be offered by FTC-D is attached as "Exhibit B" to the Application.

Q. WILL GRANTING FTC-D'S REQUEST SERVE THE PUBLIC INTEREST?

A. Yes. Approval of FTC-D's application will serve the public interest by providing consumers with a greater choice of long distance services, and with the ability to obtain both local and long distance services from a single provider.

Q. WILL FTC-D COMPLY WITH OTHER REQUIREMENTS OF CERTIFICATION?

- A. Yes. FTC-D will adhere to all applicable rules, regulations and orders of the Public Service Commission of South Carolina. FTC-D will participate in the support of universally available telephone services at affordable rates to the extent required by the Commission, and will provide services which meet the service standards of the Commission.

FARMERS TELEPHONE COOPERATIVE, INC. – AUTHORITY REQUESTED

Q. WHAT AUTHORITY IS FTC SEEKING IN THIS PROCEEDING?

- A. FTC is already authorized to provide local and interexchange telecommunications service in South Carolina. FTC is seeking approval of a tariff for interexchange telecommunications services by which it will adopt the rates, terms and conditions of service currently offered by FLD. The proposed tariff for FTC is attached as “Exhibit C” to the Application.

Q. IS FTC REQUIRED TO MAINTAIN A SEPARATE AFFILIATE BY WHICH TO OFFER ITS INTEREXCHANGE SERVICES?

- A. No. FTC proposes to offer its in-region interexchange services on a resold basis only, i.e., FTC will not use interexchange switching or transmission facilities or capabilities of its own in the provision of these services. Therefore, the Federal Communications Commission’s (“FCC”) requirement to provide interexchange services through a separate affiliate does not apply. See 47 C.F.R. § 64.1903(b). FTC will provide the services through a separate corporate division of FTC, i.e., FTC will maintain separate accounts for its long distance services, as required by the FCC.

AUTHORITY TO TRANSFER CUSTOMER BASE

Q. PLEASE DESCRIBE THE AUTHORITY REQUESTED WITH RESPECT TO TRANSFERRING CUSTOMERS FROM FLD TO FTC AND FTC-D.

A. The Applicants propose to transfer the customer base of FLD to the respective local exchange carriers (FTC and FTC-D). Each customer will be transferred to the local exchange carrier whose service area includes the customer's premises. The service areas of FTC and FTC-D do not overlap. FLD will continue to provide certain interexchange telecommunications services in South Carolina, and will remain a certificated carrier. The retail customers are being transferred to the respective local exchange carriers who currently serve them in order to achieve administrative, marketing, customer service, and billing efficiencies. This change will allow the affiliated companies to continue to provide an array of high quality services to consumers in South Carolina. Furthermore, the change will allow customers to receive their retail long distance and local services from a single provider, which will lead to less customer confusion.

Q. HOW WILL CUSTOMERS BE NOTIFIED OF THIS CHANGE?

A. FLD will provide notice to affected customers prior to transferring the customers to FTC and FTC-D. A copy of the proposed notice is attached to the Application as "Exhibit A." The notice will inform customers of the transfer and of their right to switch to the long distance carrier of their choice. Customers will be informed that, should they choose another carrier, they should do so by a specific date in order to ensure a seamless transfer of service to the new carrier. Customers will be informed that a transfer fee may be incurred if they choose to switch to a

carrier other than FTC or FTC-D (whichever of the two carriers serves the customer's area). The notice will clearly state that, if the customer consents to the change of carrier to FTC or FTC-D, no customer action is required for the transfer to occur, and that the customer's current plan, rates, features, terms and conditions of service will transfer to either FTC or FTC-D. The notice will list a toll-free customer service number in the event customers have any questions regarding the transfer. FLD intends to provide the affected customers with the notice at least thirty (30) days prior to implementation of the transfer.

Q. ARE APPLICANTS SEEKING A WAIVER OF ANY ANTI-SLAMMING REGULATIONS THAT MAY APPLY?

A. Yes. Although Applicants have attempted to include in the notice letter all relevant state and federal customer notification and consent requirements, Applicants respectfully request, to the extent necessary, that the Commission grant a waiver of any applicable anti-slamming regulations that may possibly be violated by the transfer being made without separate and specific authorization from each affected customer.

Q. WILL APPROVAL OF THE AUTHORITY REQUESTED IN THIS APPLICATION SERVE THE PUBLIC INTEREST?

A. Yes. The transfer will be transparent to the affected customers and will not change the manner or quality of service that FLD's current interexchange customers enjoy. Specifically, customers will continue to receive the high quality, affordable telecommunications services that they presently receive. FTC and FTC-D will adopt the rates, terms and conditions of FLD's intrastate

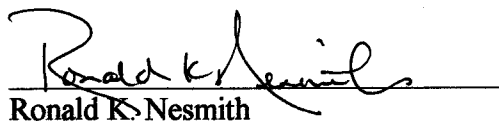
interexchange tariffs, thus providing a seamless transition for existing customers of FLD. The public interest will be served by the transfer of FLD's long distance customers to FTC and FTC-D because FTC and FTC-D are experienced and qualified carriers that have been providing high-quality local telecommunications services in South Carolina for many years. Moreover, approval of the transfer will allow customers of FTC and FTC-D to obtain an array of services and products from a single retail provider. The proposed transfer will promote competition in South Carolina by enhancing FTC's and FTC-D's ability to take advantage of certain efficiencies that will support expanded services and more competitive rates.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

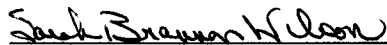
VERIFICATION

I, Ronald K. Nesmith, first being duly sworn, depose and say that I am External Affairs & Chief Regulatory Officer of Farmers Telephone Cooperative, Inc., that I have read the foregoing pre-filed testimony and know the contents thereof; and that said contents are true.


Ronald K. Nesmith

SWORN to before me this

12th day of September, 2007.

, L.S.

Notary Public for South Carolina

My Commission expires: 03/26/2017